

**MINUTES  
of the  
FOURTEENTH MEETING  
of the  
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**October 1-2, 2007  
Room 307, State Capitol  
Santa Fe**

The fourteenth meeting of the Public School Capital Outlay Oversight Task Force (PSCOOTF) was called to order by the co-chairman, Representative Rick Miera, on Monday, October 1, 2007, at approximately 10:00 a.m. in Room 307 of the State Capitol in Santa Fe.

**Present**

Rep. Rick Miera, Co-Chair  
Sen. Cynthia Nava, Co-Chair (10/1)  
Cecilia J. Grimes  
Robbie Heyman  
Scott Hughes for Katherine B. Miller  
Dr. Anna Lamberson  
Rep. Larry A. Larrañaga  
Sen. Carroll H. Leavell  
Rep. Ben Lujan  
Rep. James Roger Madalena  
Bud Mulcock  
Antonio Ortiz for Veronica Garcia  
Rep. Henry Kiki Saavedra  
Sen. John Arthur Smith

**Absent**

Sen. Ben D. Altamirano  
Gary Bland  
Leonard Haskie  
Sen. Stuart Ingle  
Sen. Lynda M. Lovejoy  
Kilino Marquez  
Elizabeth Marrufo  
Rep. W. Ken Martinez  
Dr. Moises Venegas  
Rep. W.C. "Dub" Williams

**Advisory Members**

Sen. Vernon D. Asbill

(Attendance dates are noted for those not present for both days of the meeting.)

**Staff**

Sharon Ball, Legislative Council Service (LCS)  
Bob Gorrell, Public School Finance Authority (PSFA)  
Andre Larroque, PSFA  
Aldis Philipbar, LCS  
Pauline Rindone, Legislative Education Study Committee (LESC)  
Bill Sprick, PSFA  
Paula Tackett, LCS  
Peter van Moorsel, LESC

**Guests**

The guest list is in the meeting file.

Copies of all handouts and testimony are in the meeting file.

### **Monday, October 1**

Ms. Tackett read an email from Norman Suazo to staff indicating that he would no longer be able to serve on the PSCOOTF.

#### **Community/Educational Spaces: More Questions Than Answers About Their Use?**

Sammy Quintana, executive director, New Mexico Public School Insurance Authority (NMPSIA), explained that the NMPSIA has secured insurance coverage for special events liability through the Clarendon American Insurance Company. This tenant user liability insurance policy (TULIP) may be purchased for what he called a "very reasonable premium" by an individual or group asking a school district for the use of one or more of its buildings. He reported that from April 1, 2006 through June 30, 2007, a total of 55 policies were purchased, for an average premium of \$161. He indicated that the districts allowing the use of a school facility with the required TULIP coverage include Alamogordo, Artesia, Bernalillo, Central, Dulce, Gadsden, Gallup, Hatch, Jemez Mountain, Las Cruces, Los Alamos, Mesa Vista, Mora, Moriarty, New Mexico School for the Deaf, Peñasco, Rio Rancho, Springer, Wagon Mound and West Las Vegas.

In response to task force questions, Mr. Quintana said that premiums are based upon the risk classification of the event, the number of days of the event and the expected attendance. He said that the lowest premium (\$100) was charged for the use for a graduation or anniversary reception, and the highest premium (\$2,400) was for the use of school facilities for weekly basketball games for the months of April through June. Other event types, he said, include birthday celebrations, basketball practices, music concerts, car shows, volleyball tournaments and a country and western dance. In response to additional questions, he indicated that the state has not had many lawsuits filed against it, but the few that the state has settled or lost have been very costly.

James Barfoot, assistant superintendent of operations, Farmington Municipal Schools, discussed community use of school buildings in Farmington. He said that school facilities are used for powwows, concerts and church services and meetings. The district charges nominal rent for use of the space and requires insurance for all uses. He said that custodians and other staff must be paid time and a half for work outside their normal workdays. Each prospective renter must provide a certification of insurance coverage for \$500,000.

Mr. Barfoot said that principals among the various schools in the district are not always consistent in their rental rate schedules. In response to a task force question, he indicated that only the Farmington district school board has the authority to waive rental fees or insurance charges. He also said that the City of Farmington and the school district often have agreements to share spaces, costs for construction projects, stipends for coaches and the use of buses.

Danny Eaker, athletic director, Roswell Independent School District, discussed community use of school facilities in Roswell. He said that if the city uses school property, then school rules must be enforced and vice versa. He provided a listing of various properties owned by the school district and the way in which they are used by the community. Mr. Eaker brought examples of documents indicating the terms and quality of agreements between the city and the school district.

Alan Armijo, government liaison, Albuquerque Public Schools (APS), provided the task force with a school district document describing requirements and priorities for the use of school district facilities. He said that the district requires proof of liability insurance of \$1 million (with APS named as an additional insured) for all groups requesting the use of a school facility. Many nonprofit organizations have their own insurance or work it out through a contract with the city. He said that there are many community groups that use school facilities, especially elementary schools. He pointed out that APS is currently building a new school in southwest Albuquerque. The library is being built larger than most high school libraries so that it may also serve as the community library.

Responding to task force discussion, Mr. Gorrell said that rifts can sometimes develop in a community when an agreement is not reached between the school district and the community regarding costs for sharing facilities and liabilities. He stated that these agreements require good communication and a willingness to cooperate on both sides and can be spelled out in memoranda of understanding between two governmental entities.

Frank Koppler, contract attorney for the NMPSIA, said that during the 2007 session, he worked with Representative Joni Marie Gutierrez on developing legislation that would provide liability insurance only in cases of bodily injury and property damage. The proposed legislation, which did not pass, would have limited the amount of recovery to \$1 million.

In response to questions and comments about the differences between small school districts and large school districts, Julie Garcia, with NMPSIA contractor POMS and Associates, stated that small school districts sometimes have the only public buildings in a community and that sharing facilities is a matter of necessity and is handled as informally as by a verbal agreement or a handshake. School districts have the only facility big enough to house large events, such as weddings, receptions and funerals. The issue of community use often comes down to communication and how much people are willing to work together. The party wishing to use the facility may refuse to get TULIP coverage, and the school is then left with the decision of whether or not to rent out the facility. In response to a task force question, both Mr. Barfoot and Mr. Eaker said that their respective districts do not take advantage of the NMPSIA's TULIP coverage; organizations using their facilities usually have access to other sources for liability insurance.

In response to a task force question, Mr. Quintana said that the regular cost for \$500,000 in TULIP coverage is approximately \$200-\$300 per event. He noted that local organizations that

are part of larger national organizations, such as the YMCA, have coverage from the national organization. Another comment was made that schools are not providing as many extracurricular activities as they did in the past, and community and nonprofit organizations are providing services that schools no longer provide. Task force members expressed concern about requiring groups to pay insurance when they are providing a service that the school should be providing. The task force requested information from the National Conference of State Legislators about what other states are doing to utilize school facilities for community use.

In response to a question regarding liability for a community volunteer teacher, panel members agree that the school district should have a policy regarding the appointment of volunteers that would require the same type of background check to which school employees having direct contact with students are subject.

Task force members also discussed the possibility of endorsing legislation that might encourage shared responsibility and use of facilities by lowering the offset for direct legislative appropriations made for shared use between school districts and other governmental entities, such as municipalities and counties.

The task force recessed for lunch at 12:00 noon and reconvened at approximately 1:30 p.m.

#### **Adequacy Standards Square Footage in Small Districts: Minimizing Operational Costs**

Patricia Miller, superintendent, Fort Sumner Municipal Schools, explained that her district has a total enrollment of approximately 320 students with all three levels — elementary, middle and high school — on the same campus within the village limits of Fort Sumner. She said that the school district's boundaries include all of DeBaca County. Noting that the average age of the buildings on the campus exceeds 55 years, she said that some of the facilities need to be replaced, while others can be repaired and remodeled. For example, she said, the cost of remodeling the old gym (built in 1930) to make it a shared use facility with space to accommodate science labs and a library-media center would be more costly than building a new facility. On the other hand, the elementary school (built in 1965) has been well-maintained and is in relatively good condition. She noted that the layout of the building is not conducive to the efficient use of space, with more than 30 percent of the space lost to support areas and tare space. The current problems of a lack of Americans With Disabilities Act accessibility, sufficient electrical capacity, special education classroom space and storage space can be addressed through a partial remodel of the building.

Ms. Miller noted that the district's telephone and intercom systems are so antiquated that parts for repair are no longer available; when a unit breaks, service to that area is simply no longer available. She said that the boiler unit that supplies heat to one of the buildings has exceeded its life expectancy by 20 years and must be replaced for safety reasons. She explained that the district's enrollment has been declining slightly over the past five years, but appears to be stable for the next five years. She said that the Public School Capital Outlay Council (PSCOC) this year awarded the district a grant of nearly \$9.5 million to begin the work on phases 1 and 2

of its rebuilding and remodeling project. She noted that the district's taxpayers have fully supported the project by approving the maximum Public School Capital Improvements Act (SB 9) levy and by bonding to capacity. She said that, even so, the district had to request a waiver for a portion of its 49 percent share on the standards-based sliding scale.

Ms. Miller said that she, her staff, the students and the community are doing everything they can to achieve the maximum benefit of the resources available to them both locally and from the state. She said that the academic and extracurricular activities create a feeling of achievement in the community. She noted that, because of its size, the district is not able to achieve the economies of scale possible in middle- to larger-sized districts. She talked about the fact that "at some point you just have to teach", meaning that certain classroom specifications will always be required.

Mr. Larroque, building standards specialist, PSFA, presented information on school size. He said that students do better in small learning environments, but that schools continue to be built larger to deal with issues of efficiency. Mr. Larroque stated that the total construction cost of the median elementary school in the smallest quarter of the United States last year was \$7.5 million, cost per square foot was \$158.45 and cost per student was \$22,426. These schools were designed to house 540 or fewer students. In the largest quarter, the total median cost was \$15 million, cost per square foot was \$133.33 and cost per student was \$16,000. These larger elementary schools were designed to house more than 800 students.

Mr. Larroque reported that the smallest quarter of high schools was constructed to house up to 800 students and cost a median total of \$16 million, \$156.71 per square foot and \$27,111 per student. The largest quarter of high schools constructed last year was designed to house 1,800 or more students. The total median construction cost was \$48 million, \$148.86 per square foot and \$22,861 per student. Mr. Gorrell commented that smaller schools retain students better and have a better record of graduating students.

Dr. Jim Holloway, assistant secretary, Rural Education Bureau, Public Education Department, reported that 46 of the state's 89 districts have fewer than 1,000 students. Of those, 33 have fewer than 500 students and, of those, eight have fewer than 100 students. He said that the special requirements of small school districts need to be examined closely because they often cannot fill a K-12 school building designed for 450 students, let alone an elementary school building designed for 450 students.

Lisa Martinez, director, Construction Industries Division (CID), Regulation and Licensing Department, and chair of the PSCOC Maintenance and Adequacy Subcommittee, said that those who worked on researching and developing the adequacy standards realized that there were going to be differences between districts when the adequacy standards were first being developed. She said that the PSCOC and the PSFA are now working toward continuing to research and complete the second phase of adequacy standards revision within the next year.

The panel then answered questions and discussed comments with the task force members.

The issue of transportation in rural communities was discussed. Ms. Miller stated that in the Fort Sumner district, the first child to get on the bus is a kindergartner who boards at 5:40 a.m. School does not start until 8:00 a.m. She advocated giving design and special needs attention to those things that students find interesting. She added that a small, rural school district like hers has teachers who know their students. Panel members agreed that pressures to make schools bigger are sometimes the result of the growing number of programs, such as social services for children and families, that are being housed in school buildings. Some panel members opined that perhaps the adequacy standards are working better for elementary schools than for secondary schools.

### **Life-Cycle Design Improvements: Practices That Work Toward Containing Operational Costs**

Bob Bittner, maintenance coordinator, PSFA, presented the task force with a chart of districts with good maintenance programs. He pointed out that some districts are meeting standards, while spending less money than those that are not meeting standards. Mr. Gorrell stated that the utility cost per square foot was pretty comparable across the state.

In response to questions asked by the task force, Mr. Bittner stated that 82 districts are currently using the Facilities Information Management System (FIMS) to track their maintenance. He said that, as yet, the PSFA does not have comparable data from other states, but that he believes New Mexico is further ahead in the coordination of maintenance practices than other states. In response to task force questions about the way in which those with good maintenance and low costs are accomplishing that goal, he said that the PSFA is planning a presentation to the task force in November. The panel was asked how some districts are achieving good maintenance and low cost, and the suggestion was made to look at the effects of weather on maintenance. Panel members said they plan to suggest rewards of some sort for good, effective preventive maintenance. In response to a task force question, panel members stated that no correlation has been found between weather and the amount of maintenance required by a school.

In response to considerable discussion about the spreadsheet he provided, Mr. Bittner asserted that the spreadsheet is, at present, purely raw data, and no conclusions should be drawn from it.

Calvin Steckler, maintenance specialist, PSFA, stated that the PSCOC has funded a Conservative Alternative Student Habits (CASH) program in three districts — Clovis, Tularosa and Gadsden. He said that this program involves behavior modification of energy usage in schools and that the PSFA will provide a report to the council and the task force when more data become available.

Ron Rioux, energy conservation coordinator, APS, elaborated on his district's behavior modification program to save energy. He explained that the program involves having in place a motivated principal, a teacher to model behavior, one group of students who will perform the necessary tasks and a maintenance team to conserve energy. Mr. Rioux stated that one school

was able to save more than \$57,000 through behavior modification. As an incentive, schools receive one-third of the money saved on a quarterly basis. The schools are encouraged to spend the money on supplies for the participating teachers and maintenance team. No funds are used except those set aside to pay the utility bills.

Craig Bernard, Rio Rancho Public Schools, said that Rio Rancho uses systems within the building to save money, including automatic switching and lots of daylight lighting. Mr. Gorrell added that in most Rio Rancho schools, each teacher has individual control in the classroom over lighting and windows and over temperatures within a few degrees. Mr. Bernard explained that the new high school in Rio Rancho will utilize geothermal technology for heating and cooling. Senator Nava, superintendent, Gadsden School District, added that Gadsden was the first to use geothermal technology in its schools and that it really makes a noticeable difference in both costs and comfort. She said that its use also seems to reduce water usage. Mr. Bernard added that the use of geothermal technology reduces the number of heating and cooling units on a school roof and, therefore, reduces roof maintenance. In response to task force discussion, Mr. Gorrell stated that national school construction organizations, such as the Council for Educational Facilities Planning International, have been gathering data to demonstrate a correlation between the quality of a learning environment and improved student attendance and grades. It was suggested that the new technology in the schools could also be used as a learning opportunity for students.

The task force recessed at 4:00 p.m.

## **Tuesday, October 2**

Chairman Miera called the task force to order at 9:03 a.m.

### **FIMS: Funding and Updates on Implementation, Including Equipment Inventory Progress**

Mr. Bittner discussed using FIMS for better maintenance and elaborated on the three modules purchased for each district using funds appropriated by the legislature for that purpose. He said that the program began in 2005 with a pilot study, which resulted in the PSCOC requesting the legislature to give all of the districts in the state the option of using FIMS. He reported that currently, 82 districts use the system, including all districts receiving capital outlay grants. He said that the PSFA is relying on word-of-mouth and on peer pressure to get other schools to adopt FIMS to improve data quality.

Johny Cresto, maintenance and operations director, Gallup-McKinley County Schools, lauded FIMS' automatic reporting system as a real time saver. He also said that currently, his school district is emphasizing preventive maintenance, which has already begun to reduce the number of weekly work orders in some schools.

George McFall, maintenance and grounds supervisor, Central Consolidated Schools, said that his work system has been computerized since 1989, but it relies on paper, which causes

hold-ups. He said that every August, the maintenance department is inundated with orders, but with FIMS, it is able to meet its completion goals in four months. He said he has designated two days a week for maintenance personnel to focus on work orders in the high schools.

In response to questions and comments by the task force, Mr. Bittner said that the PSFA cannot mandate the use of FIMS in school districts. Task force members expressed their gratitude to Mr. Cresto and Mr. McFall for reporting on their successes and emphasized how important it is to hear from staff in districts who actually are "in the trenches" using these systems.

Task force members also expressed concern that perhaps FIMS works best in middle- to large-sized districts and does not work as well in small districts, where the superintendent serves in multiple capacities. In response to those concerns, Ms. Ball stated that the superintendent of the Clayton Municipal Schools had been invited to discuss his concerns with the task force but had been unable to attend because he also serves as his district's Student Teacher Assessment Reporting System (STARS) coordinator and needed to be in Albuquerque for training on that system. Task force members expressed the hope that the superintendent would be able to attend a subsequent PSCOOTF meeting to present his concerns and indicated that they would like to hear from staff in other small districts.

Les Martinez, maintenance coordinator, PSFA, said that his parents were teachers and, as a result, he learned first-hand about the communication gap between the maintenance functions and staff and the educational functions and staff in schools. He said he believes that FIMS helps to bridge this gap.

Continuing the discussion, task force and panel members emphasized the need for technological literacy in just about all vocations. Task force members requested more information about school districts that have good maintenance programs but do not use FIMS.

In response to a task force question, Mr. Gorrell stated that portable classrooms are included in the preventive maintenance program. He said that portable classrooms have demonstrated a much longer life span than anyone anticipated; those that have been well maintained are still in use after 20 years or more. He noted, however, the recent decline in the purchase of portable classrooms. He said that new portables cost about \$80,000 for a single classroom, not including moving costs, and that with the increased costs of portables and with additional state support, districts are finding it more cost-effective to build "brick and mortar" buildings.

After considerable discussion about preventive maintenance and other maintenance practices, task force members requested that the secretary of education be invited to the next meeting to discuss policy implications associated with these issues.

#### **Discussion of Potential Topics for PSCOOTF-Endorsed Legislation**

Ms. Tackett, task force members and staff reviewed issues that members may wish to



consider in endorsing legislation, including the following:

- amendment to statute to remove the state investment officer from PSCOOTF membership because that position's input is no longer required with the current permanent funding stream in place;
- incentives for districts that exhibit good maintenance practices;
- standardization of school district reporting dates;
- FIMS implementation issues;
- new legislative language related to establishment and funding of an "opportunity fund" for districts without sufficient property tax wealth to fund projects above adequacy;
- incentives for joint use of school and community spaces;
- changes in chartering authority for charter schools;
- subcontractor bonding legislation; and
- clarification of statutory language related to CID payments for PSFA project inspections.

Ms. Tackett said that staff would prepare discussion drafts of potential legislation for the task force's consideration at its November 8 and 9 meeting.

There being no further business to come before the task force, members agreed by consensus to adjourn at 11:17 a.m.